

# MBA Mortgage Finance Forecast

September 18, 2020

	2019				2020				2021				2019	2020	2021	2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	1,204	1,257	1,288	1,433	1,484	1,064	1,438	1,392	1,375	1,380	1,389	1,405	1,295	1,345	1,387	1,420
Single-Family	859	850	897	964	968	759	960	972	985	995	1,009	1,020	893	915	1,002	1,040
Two or More	345	407	390	469	517	305	478	420	390	385	380	385	403	430	385	380
<b>Home Sales (SAAR, Thous)</b>																
Total Existing Homes	5,207	5,287	5,410	5,420	5,483	4,474	5,781	5,615	5,593	5,627	5,633	5,675	5,331	5,338	5,632	5,785
New Homes	669	661	699	711	701	676	867	797	801	813	813	818	685	760	811	827
FHFA US House Price Index (YOY % Change)	5.5	5.1	4.8	5.1	5.0	4.0	3.7	3.4	3.1	2.8	2.6	2.4	5.1	3.4	2.4	2.0
Median Price of Total Existing Homes (Thous \$)	253.0	276.8	276.9	272.3	272.4	288.3	298.3	283.7	287.8	292.2	292.0	291.6	269.7	285.7	290.9	286.5
Median Price of New Homes (Thous \$)	312.3	321.2	317.0	326.6	330.8	315.5	330.5	336.0	338.1	336.0	337.9	340.2	319.3	328.2	338.0	340.5
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	4.4	4.0	3.7	3.7	3.5	3.2	3.0	3.1	3.1	3.2	3.2	3.3	3.7	3.1	3.3	3.6
10-Year Treasury Yield (%)	2.7	2.3	1.8	1.8	1.4	0.7	0.7	0.8	0.9	1.0	1.1	1.3	1.8	0.8	1.3	1.8
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	325	501	651	696	563	928	860	792	592	579	554	480	2,173	3,143	2,205	1,907
Purchase	228	355	375	314	257	348	410	380	330	379	392	332	1,272	1,395	1,433	1,478
Refinance	97	146	276	382	306	580	450	412	262	200	162	148	901	1,748	772	429
Refinance Share (%)	30	29	42	55	54	63	52	52	44	35	29	31	41	56	35	22
FHA Originations (Bil \$)													246	308	224	193
Total 1- to 4-Family (000s loans)	1,156	1,761	2,249	2,362	1,869	3,034	2,826	2,591	1,913	1,874	1,800	1,554	7,527	10,320	7,141	6,097
Purchase	830	1,277	1,340	1,113	891	1,196	1,405	1,296	1,104	1,261	1,303	1,102	4,560	4,788	4,770	4,810
Refinance	326	484	909	1,248	978	1,838	1,421	1,295	808	613	497	453	2,967	5,532	2,371	1,287
Refinance Share (%)	28	27	40	53	52	61	50	50	42	33	28	29	39	54	33	21
<b>Mortgage Debt Outstanding</b>																
1- to 4-Family (Bil \$)	10,362	10,446	10,574	10,677	10,775	10,875	10,990	11,092	11,202	11,321	11,442	11,559	10,677	11,092	11,559	12,044

**Notes:**

Housing starts and home sales are seasonally adjust

Total existing home sales include condos and co-ops.

Mortgage rate forecast is based on Freddie Mac's 30-Yr fixed rate which is based on predominantly home purchase transactions.

The 10-Year Treasury Yield and 30-Yr mortgage rate are the average for the quarter, but annual columns show Q4 values.

Total 1-to-4-family originations and refinance share are MBA estimates. These exclude second mortgages and home equity loans.

The FHFA US House Price Index is the forecasted year over year percent change of the FHFA All Transactions House Price Index.

The mortgage debt outstanding forecast is for 1-4 unit mortgage debt and excludes home equity loans. Annual MDO numbers reflect EOP values.

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